James River Partnership

Virginia Beach, Va.

Honeywell Overview

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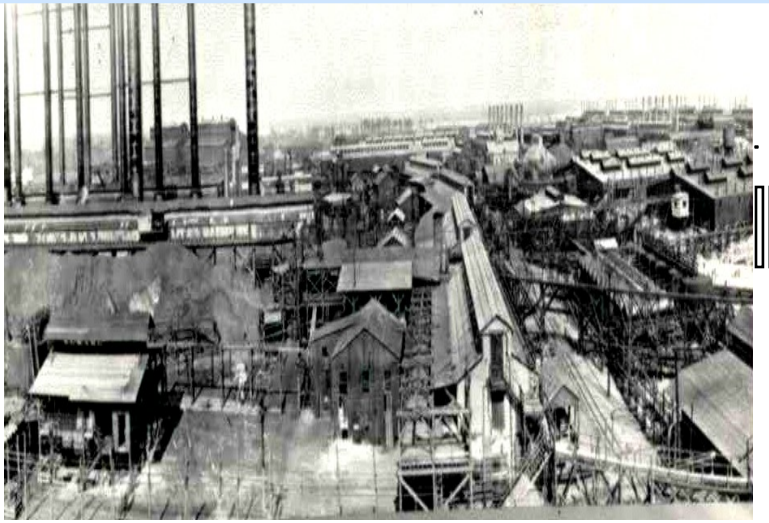
Hopewell Plant: History

- 1915 - Dupont Munitions Plant
- 1928 - Allied Atmospheric Ammonia
- 1954 - Allied Enters Nylon Business, Begins Caprolactam Production
- 1975 - Initiated Specialty Chemicals Business
- 2001 - Began Making Merchant Caprolactam
- 2002 - World's Largest Producer of Caprolactam & Ammonium Sulfate



Beginning to Present

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Business Segment: Chemical

- **Products include:**
  - Sulf-N® Ammonium Sulfate
  - Nadone® Cyclohexanone
  - Naxol® Cyclohexanol
  - Merchant Caprolactam

Key Customers

Sulfate
- Agriliance
- Heringer (Brazil)
- Bunge (Brazil)
- Scotts

Intermediates
- Beaulieu
- Firestone
- Dow Chemical

Honeywell Nylon Facilities

- Honeywell Facilities:
- Former BASF Facilities:
- Business has 3,800 employees

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Honeywell Hopewell Plant Summary

- *Plant employs about 900 people*
- **About 25 miles of railroad track in plant**
- **Consume about 11 railcars of molten sulfur every day**
- **River water pumping capacity of 135,000 gallon per minute**
- *Largest consumer of natural gas on east coast 50 MCF/Day - 1500 TPD ammonia plant*
- *Sell several hundred TPD of CO_2 to Anheiser-Busch, Coca-Cola, Perdue and others*
- **Hopewell Plant produces Ammonium Sulfate as co-product of Caprolactam Process**
- *Approximately 4.3 lbs AS per pound of Caprolactam*
- *Produce about 1.7 million tons / year (over 4,500 tons per day)*
- **Ammonium sulfate is crystallized from solution to form crystalline**

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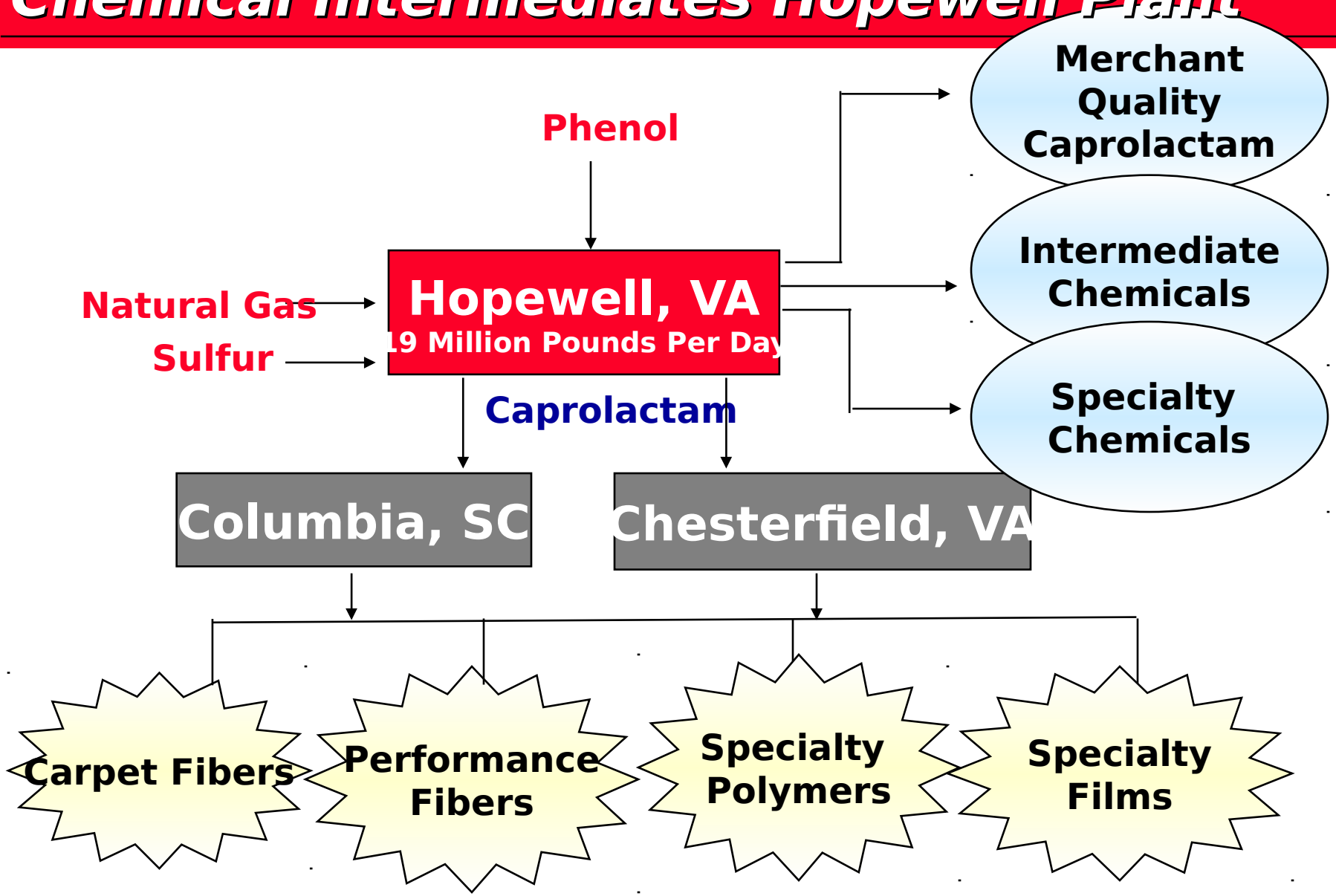
Chemical Intermediates Hopewell Plant



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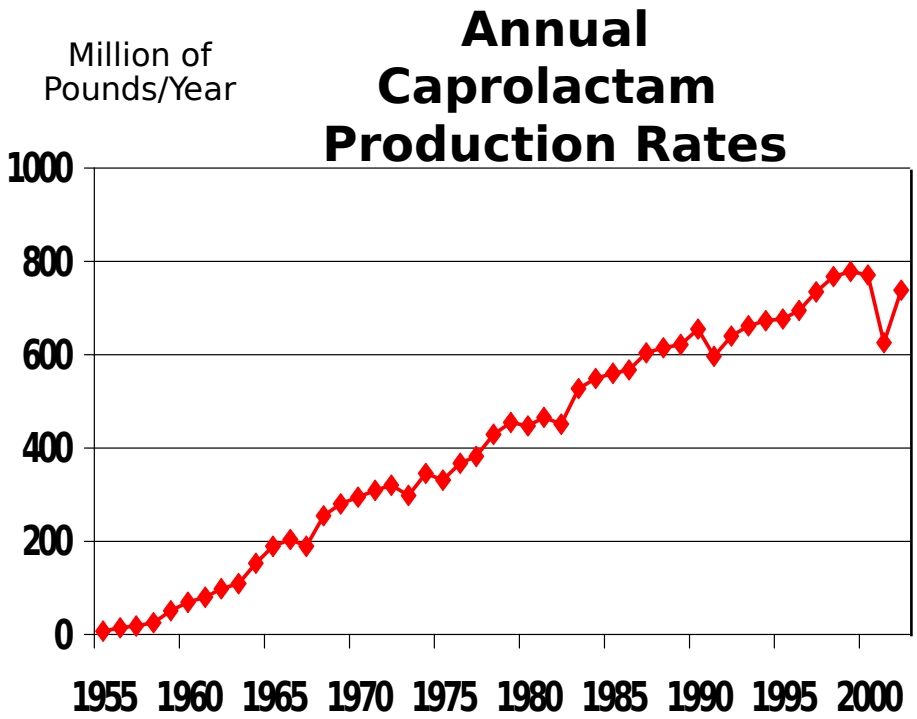
Hopewell Plant: Products

Products Shipped	Annual Capacity (M Lbs)
Caprolactam	800
Ammonium Sulfate	3,200
Cyclohexanone	58
Cyclohexanol	11
Adipic Acid	32
Carbon Dioxide	690
Specialty Oximes	31
Products Consumed Internally	
Sulfuric Acid	900
Ammonia	1,100

Total Annual Production
6,822



six sigma plus

Diversity & Quality in Our Product Mix

Ammonium Sulfate Production

SULF-N™
AMMONIUM SULFATE
Bringing Growth to the World

- **Contains 21% nitrogen and 24% sulfur**
- **Available in two grades**
  - **Granular for bulk blends**
  - **Standard for direct application or for dissolving into liquid fertilizers**
- **Compatible with all fertilizer products**
- **Less hygroscopic, enhanced storability**

Hopewell, VA Plant

- **World's Largest Caprolactam Production Site**
- **World's Largest Ammonium Sulfate Producer**
- **Total Production in Excess of 1.7 million tons**
  - **About 9% of World Total**
- **Multi-Modal Shipping (Marine, Rail, Truck)**

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Activity At James River Honeywell Pier

- **Fifty Five Export Vessels per year (880,000 tons)**
- **Twenty five require Top-Off in Norfolk (290,000 tons)**
- **Top Off cost an additional $10/ton**
- **Fifteen Domestic Barges per year (62,000 tons)**
- **Total Ammonium Sulfate (940,000 tons)**
- **Phenol inbound by barge (700,000 tons)**
- **Other inbound commodities include Oleum & Oil**

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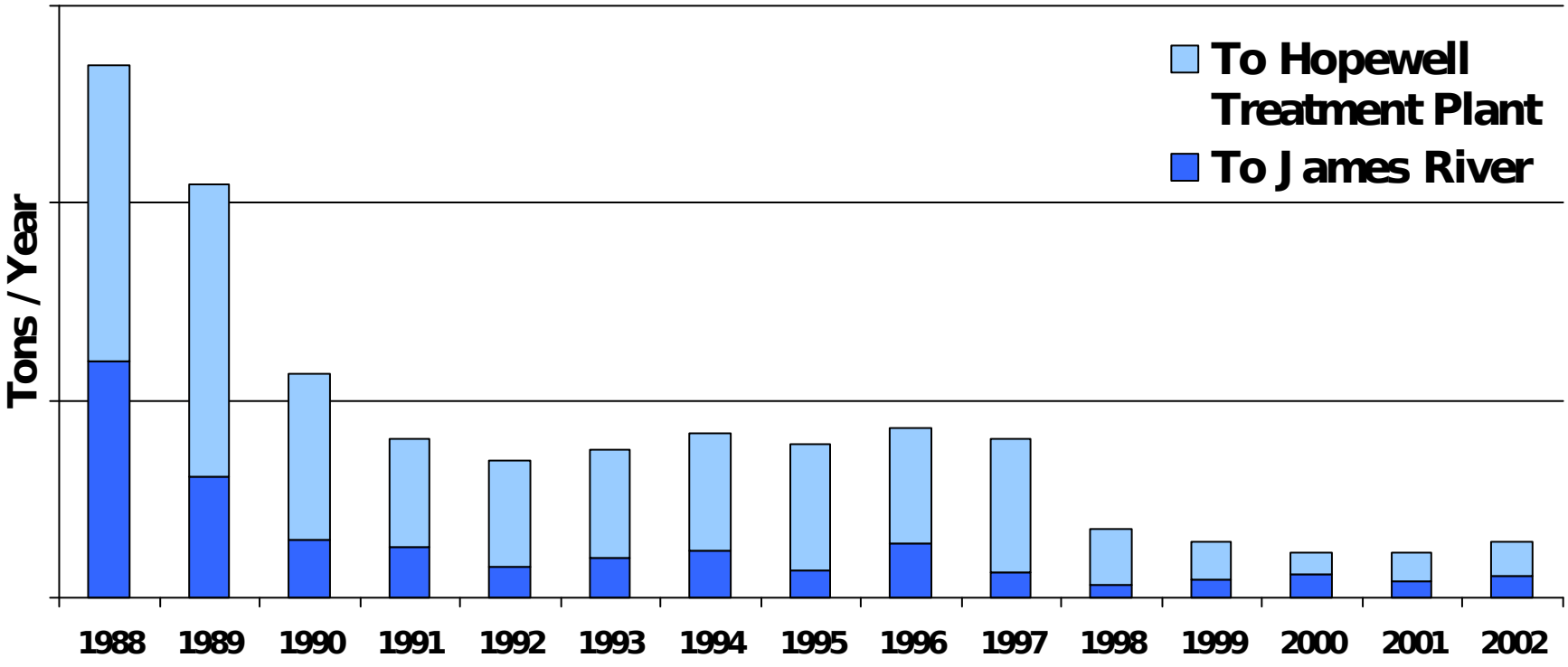
Environmental Performance

History of Preventing Water Pollution



Reduced NH3-N to James River by >80% While Increasing Plant Production Rate by 25%

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Projects To Reduce Nutrients

Capital Investment Reduced Nutrient Pollution to Hopewell Treatment Plant by Half & Eliminated Spikes

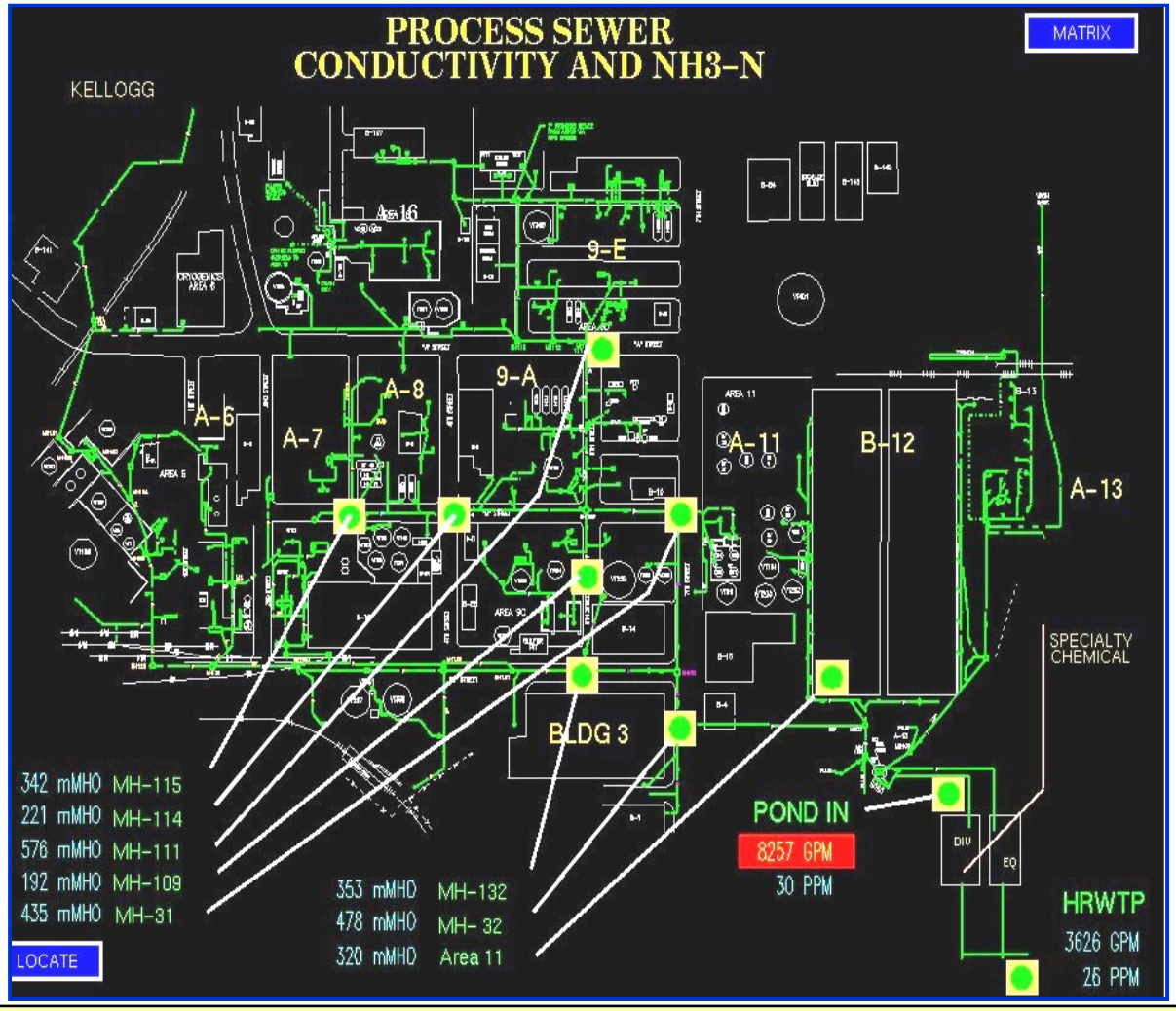
Honeywell Confidential and Proprietary

Environmental Pollution Prevention

Gantry -
Equipment to Load Fertilizer Produ
Onto Ships & Barges -
Has Oil Hydraulic Drive System
to Move Loading Arm

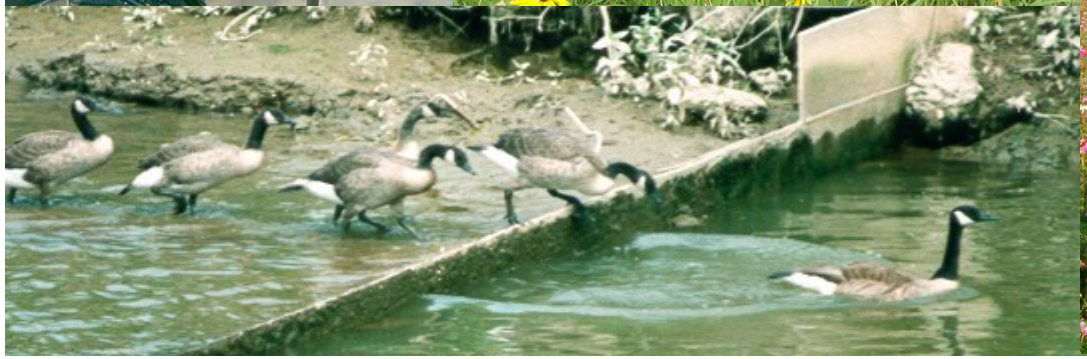
New Equipment Eliminated Hydraulic Oil System

Sewer Monitoring & Response



Early Detection Allows Quick Response

Certified Wildlife Habitat



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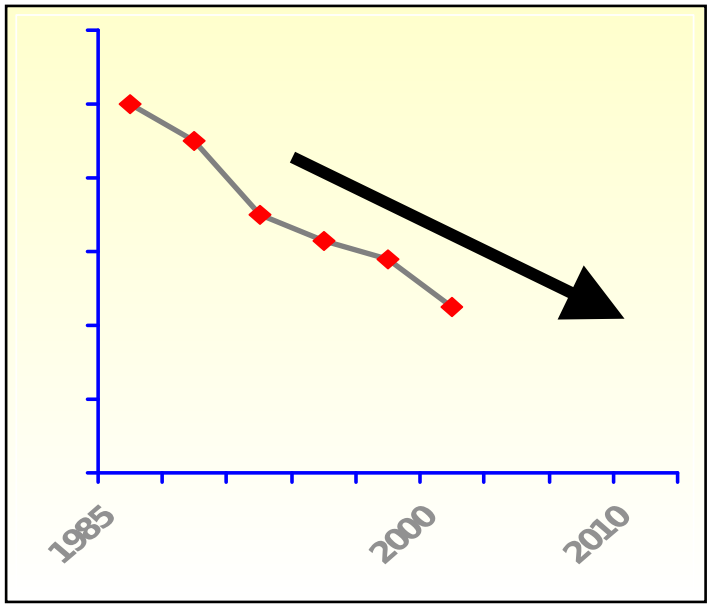
Environmental Summary

Emissions

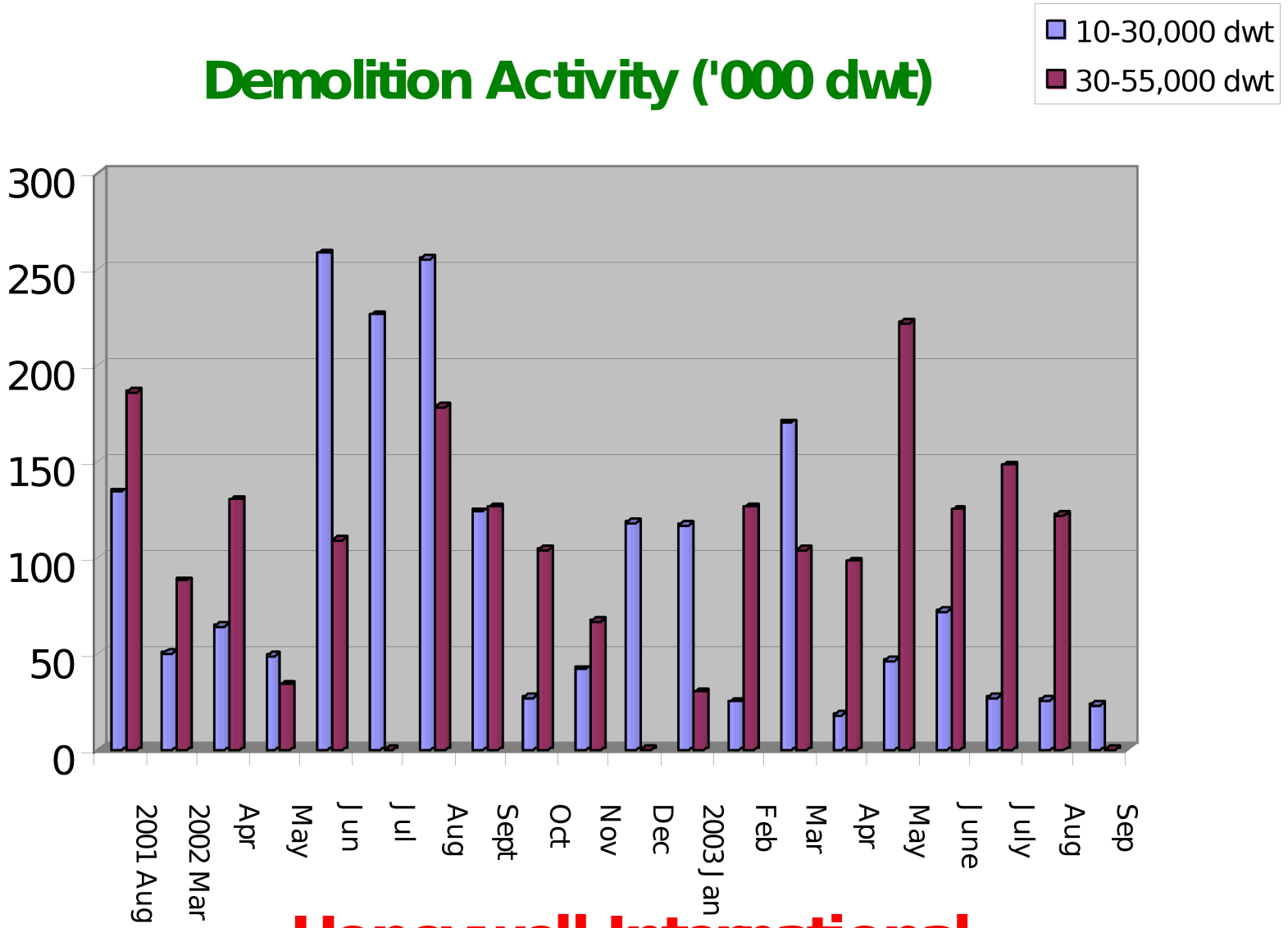


- Nutrients to James River ↓ >85%
- Air Emissions ↓ >40%
- TRI Emissions ↓ 70%
- Significant Capital investments for Environmental Protection
- Emphasis throughout the plant on Environmental Performance
- Year-To-Year Focus on Continuous Reductions With New Technology
- New projects planned for continued improvements

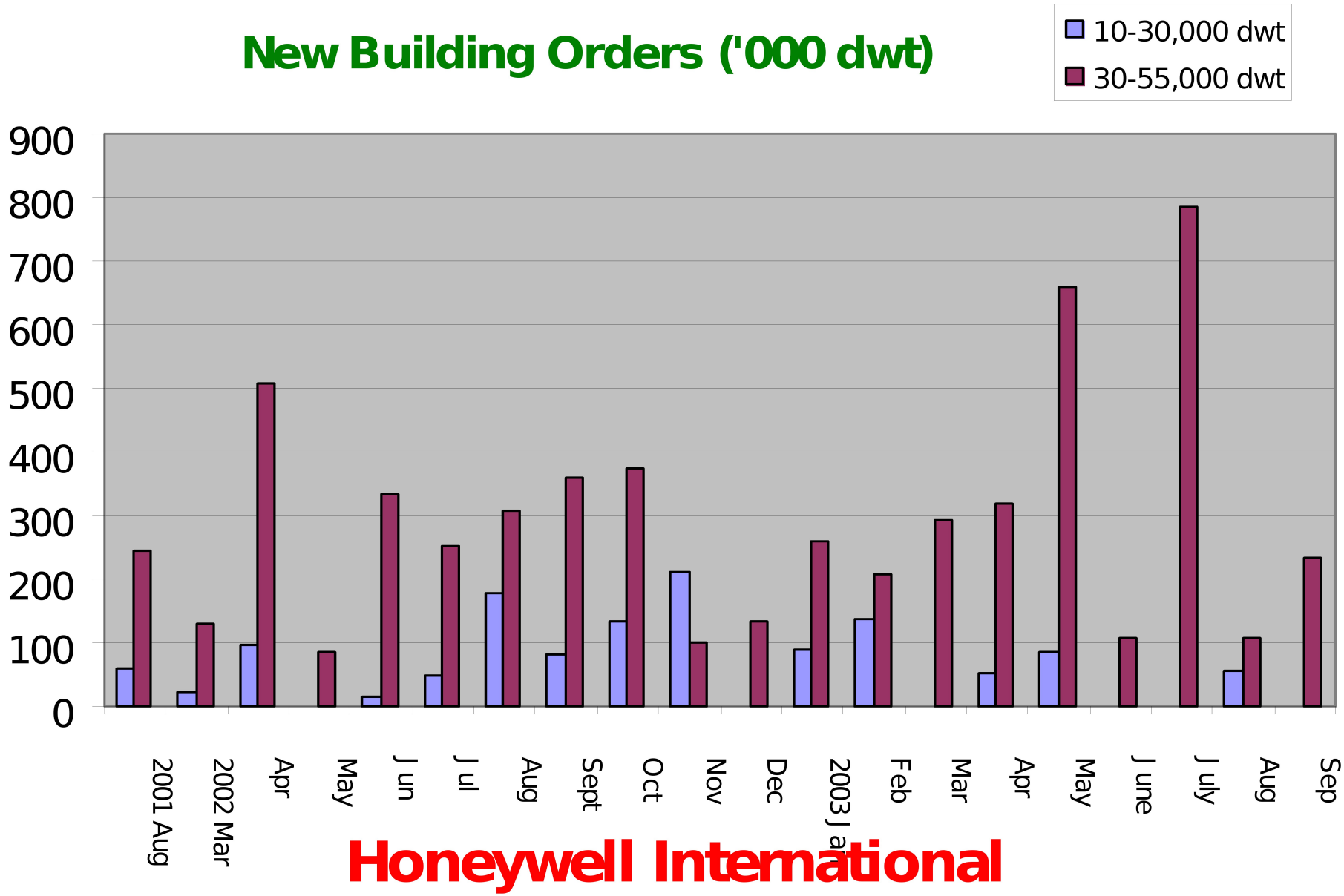
Track Record of Decreasing Emissions

Availability of Ships

Demolition Activity ('000 dwt)



Honeywell International



Honeywell International

Dry Bulk Carrier Orderbook

	2003	2004	2005	2006	Total	%
10-30,000 dwt (# Vssls)	25	27	4		56	2.7
30-55,000 dwt (#Vessls)	61	84	56	9	210	11.2
10-30,000dwt (total dwt)	485	559	115	0	1159	2.7
30-55,000 dwt (total dwt)	2653	3861	2518	454	9486	11.2

% = Percentage of World Fleet

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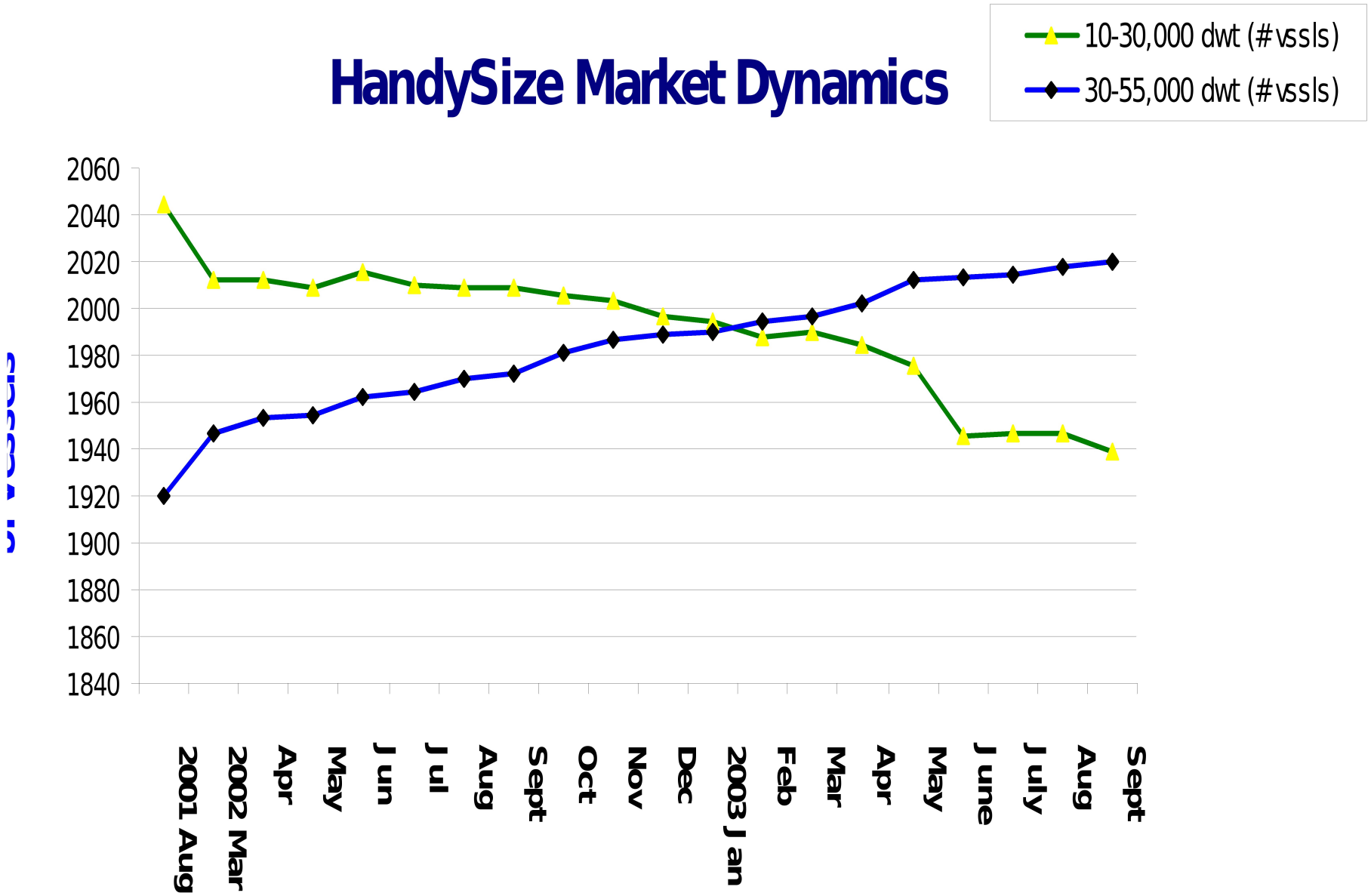
HandySize Market Dynamics



Honeywell Wish List

- **Maintain the James River at current conditions**
- **Deepen and widen river for larger vessels**
- **Identify an upriver anchorage**

What Makes A Successful Partnership

- **Understanding of what makes each partner successful**
- **Creating win-win scenarios**
- **Trust**
- **Execution on commitments… do what you say you're going to do**

We Believe in Building Successful Partnersh

Honeywell